

---

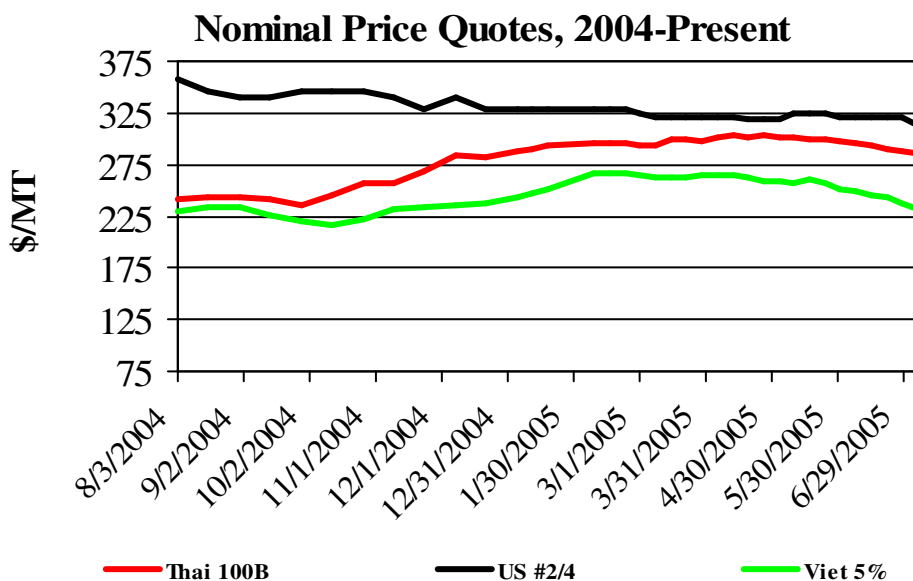
## RICE: WORLD MARKETS AND TRADE

### MONTHLY HIGHLIGHTS:

**Philippines to Be World's Largest Importer in 2005:** The government is reporting planting delays for the main season crop, thus necessitating further imports. With two tenders for the month of July totaling just under 300,000 tons, the import forecast has now been raised to 1.9 million tons, which would be the largest since 1998.

### PRICES:

**International:** Asian prices have dropped over the last month. Thai 100B is currently quoted at \$286 per ton, FOB, down \$9 from last month, mainly a result of the weakening baht. Viet 5% is currently quoted at \$232 per ton, FOB, down \$17 from last month (down \$25 in 2 months). With commitments rumored near the official cap of 3.8 million tons, the government instituted an export ban until an assessment of the current harvest is complete. India 5% is currently quoted at \$262 per ton, FOB, up \$2 from last month.



**Domestic:** U.S. prices eased over the month, with #2/4 currently quoted at \$313 per ton, FOB. Prices for U.S. #1/4 medium grain milled rice from California are currently quoted at \$320 per ton, FOB, unchanged from last month.

### TRADE CHANGES IN 2006

#### Selected Importers

- **China** is cut 300,000 to 600,000 tons based on a continuation of government policies to expand production.

---

## **TRADE CHANGES IN 2005**

### **Selected Exporters**

- **China** is raised 50,000 to 650,000 tons as a result of improved shipments to South Korea, Russia, and Africa.
- **India** is boosted 250,000 to 3.75 million tons as the pace of exports continues to exceed last year.
- **Pakistan** is up 100,000 to 2.2 million tons on the strong export pace to date.
- With exports continuing to significantly trail last year's record pace, **Thailand** is reduced 250,000 to 8.25 million tons.
- Stronger exports to Peru and Senegal have not offset reduced shipments to Brazil; therefore **Uruguay** is dropped 50,000 to 650,000 tons.
- Despite a government-announced export ban, **Vietnam** is raised 100,000 to 4.3 million tons. The ban is expected to be a temporary measure and does not prohibit participation in the upcoming Philippines tenders.

### **Selected Importers**

- **Bangladesh** is up 50,000 to 750,000 tons as a consequence of stronger than anticipated imports from India through April.
- **China** is slashed 200,000 to 500,000 tons as import demand for regular white rice is weak.
- Despite the government extension of the import ban, **Indonesia** is boosted 200,000 to 900,000 tons because of lower production and tightening stocks.
- **Philippines** is raised 300,000 to 1.9 million tons on stronger import demand caused by delayed planting of the main crop.
- **Peru** is increased 25,000 to 115,000 tons due to stronger than anticipated import demand.